

RESULTS  
STATE OIL AND GAS BOARD OF ALABAMA  
BOARD MEETING  
DECEMBER 14, 2007

1. DOCKET NO. 2-28-07-32

Continued petition by NATURAL GAS & OIL, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from formations of Mississippian and Pennsylvanian Age, from a well to be drilled on a 320-acre drilling unit consisting of the South Half of Section 14, Township 16 South, Range 15 West, Lamar County, Alabama, as a productive extension of the Mt. Zion Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Continued 12-14-07

2. DOCKET NO. 6-25-07-5C

Amended petition by BLACK WARRIOR METHANE CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board, pursuant to Rule 400-3-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code, to enter an order approving the temporarily abandoned status for certain wells in the Brookwood Coal Degasification Field, Tuscaloosa and Jefferson Counties, Alabama, in the following areas, for a period of one (1) year:

**Township 19 South, Range 7 West, Tuscaloosa County**

Sections 20, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 36

**Township 19 South, Range 8 West, Tuscaloosa County**

Sections 15, 21, 23, 25, 26, 27, 28, 32, 33, 34, 35, and 36

**Township 20 South, Range 6 West, Tuscaloosa County**

Sections 6 and 7

**Township 20 South, Range 7 West, Tuscaloosa County**

Sections 1, 3, 4, 7, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 21, 22, 23, 26, 27, 28, 29 and 33

**Township 20 South, Range 8 West, Tuscaloosa County**

Sections 1, 2, 3, 4, 5, 10, 12, 13, 14, 15, 16, 23, 24 and 25

Petitioner requests that the Board grant approval of the temporarily abandoned status of the wells in the aforementioned Sections for one year because said wells have future utility and should not be plugged.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-164

3. DOCKET NO. 6-25-07-13

Continued petition by EL PASO E & P COMPANY, L.P., a Delaware limited partnership, authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an order force pooling, with risk compensation all tracts and interests in a 40 acre drilling unit for the proposed Calmes 02-05-554 Well, having a unit consisting of all of this Southwest Quarter of the Northwest Quarter, Section 2, Township 17 South, Range 8 West, Walker County, Alabama, in the White Oak Creek Coal Degasification Field. This petition is in accordance with Section 9-17-13, ALABAMA CODE (1975), as amended, and Rules 400-7-1 and 400-7-2 of the State Oil and Gas Board of Alabama Administrative Code. Petitioner requests that due and proper notice of the hearing on this matter be given in the manner and form and for the time required by law and the rules and regulations of this Board.

**BOARD ACTION:** Continued 12-14-07

4. DOCKET NO. 8-2-07-6

Continued petition by LOWER 15 OIL CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the re-entry of the Mattie Clark #1 Well, Permit No. 1280, located on a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of Section 1, Township 10 North, Range 3 West, Choctaw County, Alabama, in the Gilbertown Oil Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-01 of the State Oil and Gas Board of Alabama Administrative Code.

The public is further advised that, pursuant to this hearing the applicable provision of the Code of Alabama (1975), and the State Oil and Gas Board of Alabama Administrative Code, the Board will enter such Order or Orders as in its judgment may be necessary in accordance with the evidence submitted and accepted.

**BOARD ACTION:** Continued 12-14-07

5. DOCKET NO. 9-5-07-5

Continued petition by SUNDOWN ENERGY, L.P., a foreign limited partnership authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the reformation of a 40-acre wildcat drilling unit for the Weyerhaeuser 36-12 No. 1 Well, Permit No. 15312, consisting of the Northwest Quarter of the Southwest Quarter of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama, to a 320-acre production unit in the McGee Lake Field consisting of the South Half of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama.

This petition is filed as a companion to a petition bearing Docket No. 9-5-07-06 requesting approval of an exceptional location for the referenced well.

**BOARD ACTION:** Continued 12-14-07

6. DOCKET NO. 9-5-07-6

Continued petition by SUNDOWN ENERGY, L.P., a foreign limited partnership authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving an exceptional location for the Weyerhaeuser 36-12 No. 1 Well, Permit No. 15312, on a proposed reformed 320-acre production unit consisting of the South Half of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama, in the McGee Lake Field, as an exception to Rule 3(b) of the Special Field Rules for said Field which requires that wells be located at least 660 feet from every exterior boundary of the drilling unit. The location of the referenced well on said proposed reformed 320-acre unit is 910 feet from the North line and 330 feet from the West line of said 320-acre unit and, as such, will be an exception to said Rule 3(b).

This petition is filed as a companion to a petition bearing Docket No. 9-5-07-05 requesting approval of the reformation of a 40-acre wildcat drilling unit for the referenced well to a 320-acre production unit in the McGee Lake Field.

**BOARD ACTION:** Continued 12-14-07

7. DOCKET NO. 11-7-07-10

Continued petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional location for the proposed JWR 31-05-502 well as an exception to Rule 4B of the Special Field Rules for the Brookwood Coal Degasification Field. Petitioner proposes to drill said well on a 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama, at a location 14 feet from the North line and 41 feet from the East line of said 40-acre unit. Rule 4B of the Special Field Rules requires that wells drilled in said Field be at least 150 feet from every exterior boundary of the unit, and the proposed location for the referenced well, being 14 feet from the northern boundary and 41 feet from the eastern boundary of the proposed unit, will be an exception to said Rule 4B.

**BOARD ACTION:** Dismissed 12-14-07

ORDER NO. 2007-165

8. DOCKET NO. 11-7-07-11

Continued petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the JWR 31-04-310 Well, Permit No. 12254-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northwest Quarter of said Section 31.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Dismissed 12-14-07

ORDER NO. 2007-166

9. DOCKET NO. 11-7-07-12

Continued petition by SKLAR EXPLORATION COMPANY, LLC, a Louisiana limited liability company authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an order amending Rule 1 of the Special Field Rules for the Little Cedar Creek Field to add the following described parcels to the field limits of said field: the Northwest Quarter and the Southwest Quarter of Section 5 and the Northwest Quarter of Section 8, Township 4 North, Range 13 East, Conecuh County, Alabama. This petition is filed pursuant to Ala. Code Sections 9-17-1, *et seq.* and Rules 400-1, *et seq.* of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-167

10. DOCKET NO. 12-12-07-1A

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus-89-21-08-14-10 #1110 Well, Permit No. 6908-C, from an 80-acre unit consisting of the West Half of the Southeast Quarter of Section 14, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of said Section 14.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-168

11. DOCKET NO. 12-12-07-2

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus-89-21-08-23-02 #1119 Well, Permit No. 6949-C, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 23, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 23.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-169

12. DOCKET NO. 12-12-07-3

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus-89-21-08-25-04 #1156 Well, Permit No. 6658-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 25, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northwest Quarter of said Section 25.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-170

13. DOCKET NO. 12-12-07-4

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Wesley West-Taurus-90-21-08-13-04 #1350 Well, Permit No. 7929-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 13, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northwest Quarter of said Section 13.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-171

14. DOCKET NO. 12-12-07-5

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Herrin-Taurus-89-21-08-22-13 #1365 Well, Permit No. 7254-C, from an 80-acre unit consisting of the South Half of the Southwest Quarter of Section 22, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southwest Quarter of said Section 22.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-172

15. DOCKET NO. 12-12-07-6

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Chevron-Taurus 90-21-08-09-09 #1343 Well, Permit No. 8333-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 9, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 9.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-173

16. DOCKET NO. 12-12-07-7

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-20-08-28-03 #1603 Well, Permit No. 8443-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 28, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Holt Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northwest Quarter of said Section 28.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-174

17. DOCKET NO. 12-12-07-8

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Aland-Taurus-90-20-08-28-05 #1604 Well, Permit No. 8706-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 28, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Holt Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of said Section 28.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-175

18. DOCKET NO. 12-12-07-9

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Aland-Taurus-90-20-08-29-03 #1607 Well, Permit No. 8707-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 29, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Holt Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northwest Quarter of said Section 29.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-176

19. DOCKET NO. 12-12-07-10

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Holman-Taurus-90-20-08-29-05 #1608 Well, Permit No. 8556-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 29, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Holt Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of said Section 29.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-177

20. DOCKET NO. 12-12-07-11

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Aland-Taurus-90-20-08-32-07 #1630 Well, Permit No. 8610-C, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 32, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Holt Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of said Section 32.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-178

21. DOCKET NO. 12-12-07-12

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the MLC-Taurus-91-21-08-05-11 #1666 Well, Permit No. 10061-C, from an 80-acre unit consisting of the East Half of the Southwest Quarter of Section 5, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of said Section 5.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-179

22. DOCKET NO. 12-12-07-13

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-04-09 #1672 Well, Permit No. 8446-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 4, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 4.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-180

23. DOCKET NO. 12-12-07-14A

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Holman-Taurus-90-21-08-08-11 #1690 Well, Permit No. 8538-C, from an 80-acre unit consisting of the East Half of the Southwest Quarter of Section 8, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of said Section 8.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-181

24. DOCKET NO. 12-12-07-15

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-08-15 #1691 Well, Permit No. 8539-C, from an 80-acre unit consisting of the West Half of the Southeast Quarter of Section 8, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southeast Quarter of said Section 8.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-182

25. DOCKET NO. 12-12-07-16

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-08-09 #1692 Well, Permit No. 8540-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 8, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 8.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-183

26. DOCKET NO. 12-12-07-17

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Holman-Taurus-90-21-08-09-11 #1694 Well, Permit No. 8693-C, from an 80-acre unit consisting of the Northeast Quarter of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 9, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of said Section 9.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-184

27. DOCKET NO. 12-12-07-18

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Holman-Taurus-90-21-08-09-15 #1695 Well, Permit No. 8694-C, from an 80-acre unit consisting of the Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 9, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southeast Quarter of said Section 9.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-185

28. DOCKET NO. 12-12-07-19

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Wesley West-Taurus-90-21-08-17-01 #1700 Well, Permit No. 8696-C, from an 80-acre unit consisting of the East Half of the Northeast Quarter of Section 17, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northeast Quarter of said Section 17.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-186

29. DOCKET NO. 12-12-07-20

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Wesley West-Taurus-90-21-08-17-07 #1701 Well, Permit No. 8705-C, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 17, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of said Section 17.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-187

30. DOCKET NO. 12-12-07-21

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the MLC-Taurus-91-21-08-17-05 #1703 Well, Permit No. 10063-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 17, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of said Section 17.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-188

31. DOCKET NO. 12-12-07-22

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-17-09 #1715 Well, Permit No. 8487-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 17, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Peterson Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 17.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-189

32. DOCKET NO. 12-12-07-23

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-20-01 #1724 Well, Permit No. 8479-C, from an 80-acre unit consisting of the East Half of the Northeast Quarter of Section 20, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northeast Quarter of said Section 20.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-190

33. DOCKET NO. 12-12-07-24

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the ULC-Taurus-90-21-08-20-07 #1725 Well, Permit No. 8470-C, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 20, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of said Section 20.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-191

34. DOCKET NO. 12-12-07-25A

Amended petition by UNION OIL COMPANY OF CALIFORNIA, a foreign corporation authorized to do and doing business in the State of Alabama, as Unit Operator of the Chunchula Fieldwide Unit, requesting the State Oil and Gas Board to enter an order amending Rule 4 of the Special Field Rules for the Chunchula Fieldwide Unit, Mobile County, Alabama, to provide, among other things, that production casing may be set into the producing reservoir with or without a packer and/or a well may be completed open hole and may be drilled underbalanced, all with approval of the Oil and Gas Supervisor.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-192

35. DOCKET NO. 12-12-07-26

Petition by EXXON MOBIL CORPORATION, acting for the operator, Mobil Oil Exploration & Producing Southeast Inc., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status and temporarily abandoned status of the following offshore wells located in Baldwin and Mobile Counties, Alabama, in the Lower Mobile Bay-Mary Ann Field, in accordance with Rule 400-2-4-.14 (1) and (2) of the State Oil and Gas Board of Alabama Administrative Code:



<u>PERMIT NO.</u>	<u>WELL NAME</u>	<u>STATUS</u>
3135-OS-6-B	State Lease 349 #2	Shut-in
10557-OS-59-B1	Alabama State Lease 350 (Tract 95)Well #5 S/T#1	Shut-in
2543-OS-3-B	State Lease 347 #1	Temporarily abandoned
3614-OS-14	State Lease 347 #2	Temporarily abandoned
3127-OS-5	State Lease 350 #1	Temporarily abandoned.

Petitioner requests that the Board grant a one year extension of the shut-in status and temporarily abandoned status of the referenced wells because said wells have future utility and should not be plugged.

**BOARD ACTION:** Continued 12-14-07

36. DOCKET NO. 12-12-07-27

Petition by EXXON MOBIL CORPORATION, a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status of the following offshore wells in Mobile County, Alabama, in the Northwest Gulf Field-Mobile Area, in accordance with Rule 400-2-4-.14(2) of the State Oil and Gas Board of Alabama Administrative Code:

<u>PERMIT NO.</u>	<u>WELL NAME</u>
12155-OS-85-B	S/L 537 Block 112 #4
10121-OS-53	State Lease 537 #2
11009-OS-65-B	State Lease 536 #3

Petitioner requests that the Board grant a one year extension of the shut-in status of the referenced wells because said wells have future utility and should not be plugged.

**BOARD ACTION:** Continued 12-14-07

37. DOCKET NO. 12-12-07-28

Petition by EXXON MOBIL CORPORATION, acting for the operator, Mobil Oil Exploration & Producing Southeast Inc., a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status of the following offshore well in Baldwin County, Alabama, in the Southeast Mobile Bay Field, in accordance with Rule 400-2-4-.14(2) of the State Oil and Gas Board of Alabama Administrative Code:

<u>PERMIT NO.</u>	<u>WELL NAME</u>
3346-OS-8-B	State Lease 350 #2

Petitioner requests that the Board grant a one year extension of the shut-in status of the referenced well because said well has future utility and should not be plugged.

**BOARD ACTION:** Continued 12-14-07

38. DOCKET NO. 12-12-07-29A

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced in the proposed Poole 1-5 #1 Well to be drilled on an exceptional 320-acre wildcat drilling unit consisting of the North Half of Section 1, Township 23 North, Range 3 East, Greene County, Alabama.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

This petition is filed as a companion to a petition bearing Docket No. 12-12-07-30 requesting approval of the above-described exceptional 320-acre wildcat drilling unit for the referenced well.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-193

39. DOCKET NO. 12-12-07-30B

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional 320-acre wildcat drilling unit for the proposed Poole 1-5 #1 Well consisting of the North Half of Section 1, Township 23 North, Range 3 East, Greene County, Alabama, as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board of Alabama Administrative Code, which provides that a well may be drilled on a drilling unit consisting of a governmental quarter-quarter section consisting of approximately 40 acres.

This petition is filed as a companion to a petition bearing Docket No. 12-12-07-29 requesting force pooling without imposition of a risk compensation penalty.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-194

40. DOCKET NO. 12-12-07-31

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional 320-acre wildcat drilling unit for the proposed Krout 10-14 #1 Well consisting of the West Half of Section 10, Township 22 North, Range 9 East, Bibb County, Alabama, as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board of Alabama Administrative Code, which provides that a well may be drilled on a drilling unit consisting of a governmental quarter-quarter section consisting of approximately 40 acres.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-195

41. DOCKET NO. 12-12-07-32

Petition by PALMER PETROLEUM, INC., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Smackover Formation in Petitioner's proposed Creech 23-8 No. 1 Well to be drilled on a 160-acre wildcat unit consisting of the Northeast Quarter of Section 23, Township 4 North, Range 14 East, Covington County, Alabama.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Continued 12-14-07

42. DOCKET NO. 12-12-07-33

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional 320-acre wildcat drilling unit for the proposed Marchant 22-16 #1 Well consisting of the East Half of Section 22, Township 22 South, Range 7 West, Bibb County, Alabama, as an exception to Rule 400-1-2-.02(2) of the State Oil and Gas Board of Alabama Administrative Code, which addresses spacing of wells.

This petition is filed as a companion to a petition bearing Docket No. 12-12-07-34 requesting approval of an exceptional location for the referenced well on the proposed exceptional 320-acre wildcat drilling unit.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-196

43. DOCKET NO. 12-12-07-34A

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional location for the proposed Marchant 22-16 #1 Well, to be drilled on a proposed exceptional 320-acre wildcat drilling unit consisting of the East Half of Section 22, Township 22 South, Range 7 West, Bibb County, Alabama, as an exception to Rule 400-1-2-.02(2) of the State Oil and Gas Board of Alabama Administrative Code which requires that wells be drilled at least 660 feet from every exterior boundary of a 320-acre drilling unit. The proposed location for the referenced well is 956 feet from the South line and 384 feet from the East line of said 320-acre unit, and as such, is an exception to said Rule.

The petition is filed as a companion to a petition bearing Docket No. 12-12-07-33 requesting approval of an exceptional 320-acre wildcat drilling unit for the referenced well.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-197

44. DOCKET NO. 12-12-07-35

Petition by SKLAR EXPLORATION COMPANY, LLC requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling without risk compensation all tracts and interests in the Northeast Quarter of Section 5, Township 4 North, Range 13 East, Conecuh County, Alabama, as a 160-acre wildcat drilling unit for the purpose of drilling a well to test formations down to and including the Norphlet formation, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. (and, in particular, Section 9-17-13, as amended) and Rules 400-1-1-.01, et seq. (and, in particular, Rule 400-7-1-.01 et seq.) of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-198

45. DOCKET NO. 12-12-07-36

Petition by SKLAR EXPLORATION COMPANY, LLC requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling without risk compensation all tracts and interests in the Northwest Quarter of Section 4, Township 4 North, Range 13 East, Conecuh County, Alabama, as a 160-acre wildcat drilling unit for the purpose of drilling a well to test formations down to and including the Norphlet formation, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. (and, in particular, Section 9-17-13, as amended) and Rules 400-1-1-.01, et seq. (and, in particular, Rule 400-7-1-.01 et seq.) of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-199

46. DOCKET NO. 12-12-07-37

Petition by SKLAR EXPLORATION COMPANY, LLC requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling without risk compensation all tracts and interests in the Southwest Quarter of Section 4, Township 4 North, Range 13 East, Conecuh County, Alabama, as a 160-acre wildcat drilling unit for the purpose of drilling a well to test formations down to and including the Norphlet formation, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. (and, in particular, Section 9-17-13, as amended) and Rules 400-1-1-.01, et seq. (and, in particular, Rule 400-7-1-.01 et seq.) of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 12-14-07

ORDER NO. 2007-200

47. DOCKET NO. 12-12-07-38

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order pursuant to Sections 9-17-1 through 9-17-33 and 9-17-80 through 9-17-88, Code of Alabama (1975) approving and establishing a partial field-wide unit, to be known as Unit 3E, consisting of the hereinafter described "Unit Area" in the Brookwood Coal Degasification Field, Tuscaloosa County, Alabama, and requiring the operating of said Unit Area as a single unit in order to avoid the drilling of unnecessary wells, increase the efficiency of operations and improve the ultimate recovery of occluded natural gas from the Unitized Formation, as hereinafter defined, and avoid waste. The "Unitized Formation" is to be designated as the Pottsville Coal Interval and is defined as the productive coal seams found between the depths of 322 feet and 2,722 feet as encountered in the JWR 31-04-310 Well, Permit No. 12254-C, located in Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama, as indicated on the density log of said well, and all zones in communication therewith and all productive extensions thereof, including any coal seam stringer that might occur within a depth of either 80 feet above or 80 feet below the Pottsville Coal Interval, and including those coal seams which can be correlated therewith. Petitioner further seeks approval of the Unit Agreement and Unit Operating Agreement, as ratified, in accordance with Section 9-17-84, Code of Alabama (1975), and approval of the amendments to the Special Field Rules for the Brookwood Coal Degasification Field in order to conform to the provisions of the aforementioned Unit Agreement and Unit Operating Agreement.

Petitioner further seeks entry of an order unitizing, pooling and integrating the Unit Area, as underlain by the above defined unitized formation so as to require all owners or claimants of royalty, overriding royalty, mineral, and leasehold interests within the Unit Area to unitize, pool and integrate their interests and develop their lands or interests as a unit, and designating Black Warrior Methane Corp. as operator of the Unit Area in accordance with the laws of Alabama. The proposed Unit Area, to be designated Unit 3E, containing approximately 160 acres, consists of the Northwest Quarter of Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama.

**BOARD ACTION:** Continued 12-14-07 to a Special Hearing Officer meeting on January 8, 2008, at 9:00 a.m. at the Board's office in Tuscaloosa, Alabama.

48. DOCKET NO. 4-30-03-7

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to consider issuing an order for Vintage Petroleum, Inc., Hunt Refining Company, and Pruet Production Company to clean up and remove the oil on the lands of Lois Ezell and the adjoining pipeline right-of-way located in Section 29, Township 11 North, Range 3 West, Choctaw County, Alabama. Vintage Petroleum, Inc., operates the Ezell 29-5 Well, Permit No. 1844, on the lands of Lois Ezell, and certain oil pipelines on the pipeline right-of-way adjoining the lands of Lois Ezell. Hunt Oil Company operates an oil pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. Pruet Production Company operates a natural gas pipeline and a salt-water pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. The jurisdiction and authority of the Board is set forth in Section 9-17-1 et seq. of the Code of Alabama (1975), as amended.

**BOARD ACTION:** Continued 12-14-07

49. DOCKET NO. 4-25-06-34

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, Lower 15 Oil Corporation to show cause why the following abandoned wells located in the Gilbertown Field, Choctaw County, Alabama, and described hereinbelow should not be ordered plugged and abandoned in accordance with Rule 400-1-4-.14 of the State Oil and Gas Board of Alabama Administrative Code relating to Plugging and Abandonment of Wells and the well sites and associated tank battery sites restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location. Additionally, the Frank Gibson #1 Well, Permit No. 1071, which is described hereinbelow under Plugged and Abandoned well was plugged and abandoned on August 21, 1997, however the well site has not been restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location. Further, the Board is requesting the operator to show cause why sites, such as well sites, production facility sites, and Class II injection facility sites should not be ordered to be brought into compliance with Rule 400-1-4-.10 of the State Oil and Gas Board of Alabama Administrative Code relating to Site Maintenance.

East Gilbertown Eutaw Unit Wells & Tank Batteries

<u>Permit No.</u> (Tank Battery No.)	<u>Well Name</u> (Tank Battery)	<u>Location</u>
1280	Mattie Clark #1	S1, T10N, R3W
1293	C. F. Stewart Heirs #1	S1, T10N, R3W
(1293 TB)	(C. F. Stewart Heirs #1)	S1, T10N, R3W
1338	Mattie Clark #3	S1, T10N, R3W
10416	Mattie E. Clark #1-6	S1, T10N, R3W
(1343 TB)	(Abston Jones 1-6)	S1, T10N, R3W

Other Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
1431	Joseph W. Hutchinson, Jr. et al #1	S7, T10N, R3W

Plugged and Abandoned well (well site not restored)

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
1071	Frank Gibson #1	S1, T10N, R3W

**BOARD ACTION:** Continued 12-14-07

50. DOCKET NO. 1-31-07-8A

Continued MOTION FOR REHEARING by LOWER 15 OIL CORPORATION, pursuant to the Alabama Administrative Procedure Act, Section 42-22-1 et seq. of the Code of Alabama (1975) requesting that the Board, upon rehearing, will modify or set aside its order related to its decision entered as Order No. 2007-97 on June 15, 2007, regarding a petition by Lower 15 Oil Corporation. The application for rehearing relates to the petition bearing the docket number set forth hereinabove.

**BOARD ACTION:** Continued 12-14-07

51. DOCKET NO. 10-3-07-12

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA for Operator, ENERGY RECOVERY GROUP., to show cause why the wells described hereinbelow located in the Baldwin, Covington, Conecuh, Mobile and Walker Counties, Alabama, should not be found in violation of Rule 400-1-6-.10 of the State Oil and Gas Board of Alabama Administrative Code relating to Site Maintenance and Rule 400-1-10-.01 of the State Oil and Gas Board of Alabama Administrative Code relating to Reports. Further pursuant to this Motion the Operator shall show cause why the wells described hereinbelow should not be ordered plugged and abandoned in accordance with Rule 400-1-4-.14 of the State Oil and Gas Board of Alabama Administrative Code relating to Plugging and Abandonment of Wells and the well sites and associated production facility sites restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location.

Baldwin County Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4548	Gulf State Park 7-13 #1	S7, T9S, R5E	Gulf State Park
5791	Smith et al Unit 38 #1	S38, T8S, R4E	Swifts Landing
6435	Dora Hand et al 32 #1	S32, T8S, R3E	South Weeks Bay
10036	Magnolia Land Co. 35-2 #1	S35, T7S, R3E	East Magnolia Springs
10037	Burnett 37 #1	S37, T8S, R4E	Oak
12325	Flowers Stewart 18-8	S18, T8S, R4E	Pleasant View

Covington County Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
6239	Paramount-Jeffers 17-9 #1	S17, T1N, R14E	West Falco
8788	Paramount-Federal 16-14 #1	S16, T1N, R14E	West Falco
9950- SWD-91-12	Paramount- Federal 21-1 #1	S21, T1N, R14E	West Falco
10489	Smak-Dixon 31-6 #1	S31, T3N, R15E	Pleasant Home
10632	Smak-Dixon 31-11 #1	S31, T3N, R15E	Pleasant Home
10735-B	Smak-Dixon 31-10 #1	S31, T3N, R15E	Pleasant Home
10874	Smak-Dixon 31-7 #1	S31, T3N, R15E	Pleasant Home
11023- SWD-96-2	Smak-Dixon 31-10 SWD #1	S31, T3N, R15E	Pleasant Home
11096-B	Smak-Murphy 13-4#1	S13, T3N, R14E	South Copeland Creek

Conecuh County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>	
12049-B		D. W. McMillan 31-15#1	S31, T4N, R10E	Juniper Creek

Mobile County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>	
4412-A		R. J. Newman et al 21-11#1	S21, T1S, R1W	Turnerville

Walker County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
3246	U. S. Steel 17-14#1	S17, T13S, R10W	Eldridge
5131	McPoland et al 7-16#1	S7, T13S, R10W	Eldridge
5132	McPoland et al 8-13#1	S8, T13S, R10W	Eldridge
5283	McPoland et al 8-7#1	S8, T13S, R10W	Eldridge
5539	U. S. Steel 8-10#1	S8, T13S, R10W	Eldridge
5622	U. S. Steel 9-12#1	S9, T13S, R10W	Eldridge
5916	Gordon Davis 17-12#1	S17, T13S, R10W	Eldridge
6254	McPoland et al 18-16#1	S18, T13S, R10W	Eldridge
6310	U. S. Steel 20-4#1	S20, T13S, R10W	Eldridge
6355	Calvin 19-2#1	S19, T13S, R10W	Eldridge
6388	Aultman 18-6#1	S18, T13S, R10W	Eldridge
6972	U. S. Steel 19-10#1	S19, T13S, R10W	Eldridge

Also, pursuant to this Motion the Operator shall show cause why these two plugged and abandoned wells, the Thomas W. Walters et al Unit 13-10#1 Well, Permit No. 4758, and the Brantley et al Unit 32-13 #1 Well, Permit No. 5266, both of which were located in Baldwin County should not be found in violation of Rule 400-1-4-.15 of the State Oil and Gas Board of Alabama Administrative Code relating to Report of Well Plugging. Failure to comply with the Board's rules and regulations may result in the Board issuing fines or taking other sanctions against Operator, Energy Recovery Group. The Board may collect the proceeds of the well bond covering these wells and use the proceeds to plug and abandon wells and restore well locations.

**BOARD ACTION:** Continued 12-14-07

52. DOCKET NO. 12-12-07-39

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to address the following oil and gas wells described hereinbelow located in Baldwin, Covington, Conecuh, Mobile and Walker Counties, Alabama, operated by ENERGY RECOVERY GROUP, LLC:

Baldwin County Wells

<u>Permit No</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4548	Gulf State Park 7-13 #1	S7, T9S, R5E	Gulf State Park
5791	Smith et al Unit 38 #1	S38, T8S, R4E	Swifts Landing
6435	Dora Hand et al 32 #1	S32, T8S, R3E	South Weeks Bay
10036	Magnolia Land Co. 35-2 #1	S35, T7S, R3E	East Magnolia Springs
10037	Burnett 37 #1	S37, T8S, R4E	Oak
12325	Flowers Stewart 18-8	S18, T8S, R4E	Pleasant View

Covington County Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
6239		Paramount-Jeffers 17-9 #1	S17, T1N, R14E
8788		Paramount-Federal 16-14 #1	S16, T1N, R14E
9950-		Paramount- Federal 21-1 #1	S21, T1N, R14E
SWD-91-12			
10489		Smak-Dixon 31-6 #1	S31, T3N, R15E
10632		Smak-Dixon 31-11 #1	S31, T3N, R15E
10735-B		Smak-Dixon 31-10 #1	S31, T3N, R15E
10874		Smak-Dixon 31-7 #1	S31, T3N, R15E
11023-		Smak-Dixon 31-10 SWD #1	S31, T3N, R15E
SWD-96-2			
11096-B		Smak-Murphy 13-4#1	S13, T3N, R14E

Conecuh County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
12049-B		D. W. McMillan 31-15#1	S31, T4N, R10E

Mobile County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4412-A		R. J. Newman et al 21-11#1	S21, T1S, R1W

Walker County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
3246		U. S. Steel 17-14#1	S17, T13S, R10W
5131		McPoland et al 7-16#1	S7, T13S, R10W
5132		McPoland et al 8-13#1	S8, T13S, R10W
5283		McPoland et al 8-7#1	S8, T13S, R10W
5539		U. S. Steel 8-10#1	S8, T13S, R10W
5622		U. S. Steel 9-12#1	S9, T13S, R10W
5916		Gordon Davis 17-12#1	S17, T13S, R10W
6254		McPoland et al 18-16#1	S18, T13S, R10W
6310		U. S. Steel 20-4#1	S20, T13S, R10W
6355		Calvin 19-2#1	S19, T13S, R10W
6388		Aultman 18-6#1	S18, T13S, R10W
6972		U. S. Steel 19-10#1	S19, T13S, R10W

An Involuntary Petition for Bankruptcy has been filed in the U.S. Bankruptcy Court, Eastern District of Texas, Case No. 06-41568 relating to Energy Recovery Group, LLC. In order to ensure that the subject wells are operated properly in accordance with the Alabama oil and gas laws and to ensure the protection of the citizens of Alabama, the Board may consider whether the transfer of operatorship is in the best interest of the State of Alabama. Various proposals for transfer or change of operator are being considered relating to the subject wells.

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

**BOARD ACTION:** Continued 12-14-07